



March 3, 2009
New York Times

To the Editor:

Re “New York Vulnerable to Poaching in Recession” (March 2):

It is less a case of poaching; rather New York is driving businesses and jobs out of the state by imposing ever-increasing business taxes, despite the Governor’s pledge to lower the cost of doing business in New York.

Neighboring states actively seek to bring insurance companies into their borders because they know that it means jobs for their residents.

In stark contrast, New York retroactively assessed domestic insurance companies \$180 million to meet the state’s own budgetary shortfall. This assessment, disguised as operating expenses of the state’s Insurance Department, is a tax on insurance companies chartered in New York to fund general state programs.

Raising taxes on any business in the middle of a deep recession is a bad idea, but using hidden taxes in an era of supposed government transparency and accountability is despicable and will only discourage companies from continuing to do business in the state.

Sincerely,

Ellen Melchionni, President
New York Insurance Association, Inc.